

Message Text

CONFIDENTIAL

PAGE 01 CAIRO 04768 021517Z

63

ACTION NEA-16

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20

USIA-15 AID-20 EB-11 CIEP-02 TRSE-00 STR-08 OMB-01

CEA-02 COME-00 FRB-02 XMB-07 OPIC-12 LAB-06 SIL-01

AGR-20 DRC-01 /184 W

----- 109113

R 020950Z JUL 74

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 7508

C O N F I D E N T I A L CAIRO 4768

E.O. 11652: GDS

TAGR: EFIN US EGT

SUBJECT: COORDINATION OF FOREIGN DONOR ACTIVITIES

1. DURING MY MEETING WITH DEPUTY PRIME MINISTER HEGAZI YESTERDAY (JULY 1), WE ALSO DISCUSSED JOINT COMMISSION FOR COOPERATION (JCC) AND JOINT WORKING GROUP (JWG). HEGAZI SAID HE HAS ALREADY INSTRUCTED EGYPTIAN MINISTRIES CONCERNED WITH ECONOMIC DEVELOPMENT TO(A) DETERMINE PROJECT PRIORITIES, ANL (B) ORGANIZE THEMSELVES IN A MANNER WHERE ONE OR TWO REPRESENTATIVES REPRESENT NOT ONLY THE MINISTRIES TO WHICH THEY BELONG, BUT ALL GOE ACTIVITIES PERTAINING TO A PARTICULAR SECTOR OF THE ECONOMY.

2. HE RECALLED THAT I HAD MENTIONED OUR RECENT PL 480 NEGOTIATIONS AS AN EXAMPLE OF AN INEFFICIENT WAY OF CONDUCTING NEGOTIATIONS. (AT FIRST PL 480 MEETING, EGYPTIAN DELEGATION CONSISTED OF ABOUT TWELVE

MEMBERS, SOME GOVERNMENT, SOME PRIVATE SECTOR. MOST

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 CAIRO 04768 021517Z

HAD NO CLUE AS TO WHAT USG WAS RESPONDING TO AND

PROCEEDED TO TALK ABOUT TOTALLY EXTRANSOUS MATTERS. THIS WAS CHANGED AT SULSEQUENT MEETINGS.) HEGAZI SAID HE AGREED WITH MY ESTIMATE. HIS AFOREMENTIONED INSTRUCTIONS TO THE MINISTRIES WOULD, HE HOPED, AVOID THIS IN JWG TALKS. HE ALSO INDICATED THAT JWG REPRESENTATION SHOULD NOT BE CONFINED TO MINISTERS WHO WILL ONLY DISCUSS GENERALITIES, BUT SHOULD INCLUDE TECHNICIANS WHO CAN COME TO GRIPS WITH DETAILS OF PROJECTS.

3. I ENCOURAGED HEGAZI TO PROCEED ALONG SUCH LINES. I ALSO RECALLED THAT EGYPT IS RECEIVING ASSISTANCE OFFERS FROM A LARGE NUMBER OF DONOR COUNTRIES. IT SEEMED DESIRABLE,; THEREFORE, FOR GOE TO WORK OUT AT MECHANISM TO COORDINATE DONOR ACTIVITIES AND THUS AVOID WASTE, DUPLICATION AND CONFUSION. HEGAZI AGREED. HE NOTED THAT IRANIANS HAVE OFFERED A \$250 MILLION "SOFT" LOAN TO GOE FOR PORT SAID RECONSTRUCTION. TAKING THIS AS AN EXAMPLE, HE SAID THAT OTHER PROSPECTIVE DONTRS WILL BE NOTIFIED OF THIS SO THAT THEY CAN CONSIDER OTHER WORTHWHILE PROJECTS.

4. COMMENT: HEGAZI SEEMS TO BE MOVING IN THE RIGHT DIRECTION. WHETHER THE EGYPTIAN BUREAUCRACY CAN BE RESPONSIVE TO SUCH INSTRUCTIONS REMAINS TO BE SEEN. DONOR COORDINATION IS CLEARLY ESSENTIAL AND SHOULD BE ENCOURAGED. SAME TIME WE SHOULD BE MINDFUL THAT MANY DONORS (IRAN, JAPAN, UK, GERMANY) HAVE ALREADY LATCHED ON TO CERTAIN PROJECTS WHICH THEY REGARD AS EITHER FAR ENOUGH ALONG OR AS POTENTIALLY ATTRACTIVE FOR THEIR BUSINESSMEN. WITHIN CONTEXT GOE COORDINATION OF DOHR ACTIVITIES, WE WILL ALSO WANT TO MAXIMIZE OPPORTUNITIES FOR AMERICAN BUSINESSMEN. EILTS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, NEGOTIATIONS, INTERGOVERNMENTAL COOPERATION, FOREIGN ASSISTANCE
Control Number: n/a
Copy: SINGLE
Draft Date: 02 JUL 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: shawdg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974CAIRO04768
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740175-0815
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740782/aaaacsaw.tel
Line Count: 96
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 13 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13-Aug-2002 by shawdg>; APPROVED <19 FEB 2003 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COORDINATION OF FOREIGN DONOR ACTIVITIES
TAGS: EFIN, US, EG
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005